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SUBJECT: MIDDLE EAST WAR; THE UN; US-CUBA; US NATIONAL SECURITY;
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11. SUMMARY STATEMENT

Today's international stories include the situation in the Middle East, the UN's role; US-Cuba ties; US national security; the war on terrorism; the US-Argentine bilateral relationship; and Colombia's influence on Latin America.

12. OPINION PIECES AND KEY STORIES

- "The UN asks for an immediate cease fire in the Middle East"

Alberto Armendariz, New York-based correspondent for daily-of-record "La Nacion," writes (08/12) "Finally, one month after the beginning of the confrontation between Israel and Hezbollah in Southern Lebanon, the UN Security Council unanimously approved a resolution asking for a full and immediate cease fire in expectation of the arrival of humanitarian aid for the desperate civilian population.

"The deal, which was reached after intense diplomatic negotiations while Israeli forces continued their land offensive, sets forth the simultaneous deployment of Lebanese and UN soldiers in Southern Lebanon while Israeli troops are being withdrawn.

- "... UN Secretary General Kofi Annan opened a special session of the UN Security Council by regretting the delay of its 15 members in reaching a deal to put an end to clashes. He underscored that the last four weeks of disagreement undermined the UN Security Council's legitimacy while victims amount to 1,040 in Lebanon and 123 in Israel."
- "Lebanon could abide by the UN proposal, but Hezbollah's OK is still missing" $\,$

Maria Laura Avignolo, on special assignment in Beirut for leading "Clarin," writes (08/12) "The impressive Israeli bombings in Beirut were the backdrop pressure in the UN draft resolution for a full ceasefire in the war in Lebanon...

"Under huge pressure and with the unexpected visit of US Assistant Secretary of State David Welch, the Lebanese government is

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determined to approve the resolution.

- "... Hezbollah is not willing to lose in the diplomatic field what it obtained in the military field. The UN draft resolution will hardly achieve some balance, which can satisfy the Shiite militia, and not let the Siniora administration fall in the event Hezbollah rejects it."
- "The UN has a lot to do in the Middle East"

Leading "Clarin" carries an op-ed piece by Hugo Martini, national deputy, who writes (08/14) "... It is hard to imagine some principle of temporary solution to the problem that differs from the procedure that the UN is currently attempting - obtaining a ceasefire and at the same time deploying a multinational military force in the area of conflict...

"The political leaders of the Arab and Jewish communities do not seem in a position to reach a negotiated solution that will exclude the war shortcut. The UN has one of its most important challenges ahead since its creation in 1945. It is also an exceptional opportunity to justify the need for its existence."

- "The US will regulate Cuban immigration"

Ana Baron, Washington-based correspondent for leading "Clarin," writes (08/12) "The US announced that in an eventual post-Castro scenario, it will not allow the entry as immigrants of former Cuban government officials who are held responsible for human rights abuses.

"US Assistant Secretary for Western Hemisphere Affairs Tom Shannon said 'The US does not know what direction Cuba will take in the short run. We could be at a moment of big change, but we could also be at a moment in which the regime is toughened to reaffirm its control...' However, in the long run, the US believes that the Fidel regime will not last long and it is getting ready for its downfall.

- "... During a meeting with a group of journalists at the US Department of State, Shannon said the US wants 'to help in the process,' and he recalled that US President George W. Bush doubled the funds to help Cuban dissidents to 80 million dollars for 2007/8 fiscal years. It is for Cubans to 'define their own future.'"
- "The old and the evil"

Jorge Elias, international columnist of daily-of-record "La Nacion,"

writes (08/13) "... The Cuban succession did not fall on Raul, but on the Cuban Communist Party. Where is Fidel Castro in the meantime?..

"In principle, in the survival of the revolution beyond Castro's survival based on moral authority (in spite of state corruption), popular support (in spite of domestic and foreign opposition) and the state property (in spite of the exiles' claim of usurpation). Economy is a central issue."

- "National security is the focus of the US election campaign"

Ana Baron, Washington-based correspondent for leading "Clarin," comments (08/12) "During latest months, every terrorist threat increased the support for US President Bush.

"The White House successfully used the national security issue as one of its main priorities during the two latest elections. The question is whether this will work in November elections.

"A The New York Times article said yesterday that the failed terrorist attack in England helped Republican candidates.

"The truth is that the author of the article, Adam Nagourney, did not bear in mind that latest opinion surveys have revealed that most Americans rely more on Democrats than on Republicans when it comes to leading the antiterrorist war.

"According to the latest The Washington Post opinion survey, Democrats have an 8-point lead when people are asked which political party they trust more to handle the issue of terrorism.

"Only 31% of those surveyed believe that the US and its allies are winning the war on terrorism.

- "Terrorism - the invisible face of globalization"

Oscar Raul Cardoso, leading "Clarin's" international analyst, writes (08/12) "After seeing the world reaction to the terrorist conspiracy

that the UK security forces said to have aborted, temptation to paraphrase Jean Baudrillard is big. As the French philosopher maintained in 1991 in three controversial essays about the first conflict in the Persian Gulf, one could say that the war on terrorism of which George W. Bush talks 'will not happen,' 'is not happening,' and, lastly, 'did not happen.'

- "... The idea that the entire operation is nothing but a propaganda campaign was quickly established in the Internet global dialogue.
- "... What are the reasons to maintain this? There are many... the legislative elections campaign, in which Bush faced bad news due to the impact of his disaster in Iraq, the need for disguising the Israeli devastation of Lebanon, or the slowness of the international community in finding a solution to the crisis.
- "... Bush seems to be the perfect echo of George Orwell's 'big brother' in '1984,' 'war is peace,' 'ignorance is strength' and 'freedom is slavery' were some of the slogans of that epitome of the perfect tyrant."
- * "'Carnal relations,' from Bush to Chavez"

Mariano Grondona, political columnist of daily-of-record "La Nacion," writes (08/13) "The US is analyzing the possibility to exclude Argentina from its General System of Preferences (GSP)... When criticizing this announcement, President Kirchner said that 'Argentina already knows what it is to subordinate itself to the policies we used to endure in the past,' and he recalled that Argentina no longer has 'carnal relations' with the US.'

- "... However, Kirchner's enmity with the US does not come alone. In addition to repudiating carnal relations with the US, one should wonder whether Argentina is heading for a new 'carnal relation', this time with Chavez' Venezuela."
- "Kirchner's tension with Washington and the G7"

Joaquin Morales Sola, political columnist of daily-of-record "La Nacion," writes (08/13) "Kirchner has dismissed the possibility of a personal reconciliation with George W. Bush. Instead, he has acknowledged that the G7's indifference to Argentina is a problem that should be solved. The G7 has recently conveyed several messages of reproach to the Argentine Government.

"... Washington has recently made two decisions that irritated Argentina. The first one was its announcement that Argentina could be excluded from the General System of Preferences. According to the

USG, this is an administrative issue for the USG...

"The other thing was the G7's abstention at the IDB, which decided, however, to grant a 650-million-dollar loan to Argentina for an electricity network in the North. In this case, there was a double message from Washington to the IDB and Argentina. The US is working to change the system of granting easy IDB loans, and this was a political opportunity to establish this position.

"The USG message to Argentina had political content - Washington does not share the Argentine Government's strategy that the State should take on the investment that private corporations do not want to make, based on an argument of insufficient judicial security.

"Washington's problem is focused on the broken relationship between the two presidents... Kirchner's behavior astonished Bush - cordial bilateral meetings were followed by public anti-US speeches. Some in Kirchner's entourage say that ties with Washington will be passable while Bush is in power, and that this will change with a Democrat or a Republican who is concerned about Latin America."

- "'We have never spoken about carnal relations, this is used here (in Argentina)'"

Ceferino Reato, political columnist of centrist "Perfil," writs (08/13) "According to the USG, President Kirchner was wrong or unclear when he showed he was bothered by the possible removal of preferential tariffs for Argentine imports to the US...

"Michael Matera, a 49-year- New Yorker who is in charge of the US Embassy until the new US Ambassador to Argentina Earl Anthony Wayne arrives, told 'Perfil' that the US-Argentine bilateral relationship has not changed since Kirchner has been in power 'I would say that ties continue to be very good based on a sound basis and mutual respect.'

"... Matera defended the USG's position of reviewing the preferential tariffs granted to Argentine products in the framework of a broader program, which is aimed at favoring developing countries. This was interpreted by Kirchner as a punishment for the disagreement over Venezuela and WTO negotiations. Matera said 'this is a mistake.' He added that the USG should prevent those preferential tariffs from benefiting those that have stopped being developing countries. 'This is one more sign of Argentina's tremendous economic success and recovery.'

"What seems to be bothering the US most is Argentina and Mercosur's support for Hugo Chavez's aspirations to obtain a seat as non-permanent member of the UN Security Council.'"

- "The US does not appear on Argentina's trade agenda"

Alejandro Rebossio, political columnist of daily-of-record "La Nacion," comments (08/13) "The Kirchner administration does not take into account the US when deepening Mercosur's commercial ties with other countries and blocs. This is not a reaction to Washington's announcement that it is planning to exclude Argentina and 12 developing countries from its preferential tariffs. It is a position adopted in reaction to the US refusal to lower its farm subsidies.

"Consulted about the possibility of a deal between Mercosur and the Bush administration, Argentine Foreign Minister Jorge Taiana told 'La Nacion' 'It is hard to see it, bearing in mind the US position on farm subsidies at the WTO'...

"Taiana criticized the US attitude in the debate on farm subsidies at the WTO Doha Round. 'There was little disposition to grant concessions.' Anyway, Taiana acknowledged that USTR Susan Schwab said she is in favor of successful negotiations at the WTO...

"Although the WTO Doha round has been broken off, the countries that want to lower farm subsidies are willing to fight for that because this is the only forum where the issue is considered.

- "... Taiana opined that the stagnation of the Doha Round 'was not a failure due to developing countries but due to the developed countries, which were not able to come to an agreement and did not make reasonable proposals.' In this way, he referred not only to the US, but also to the EU."
- "Astonishing verification Bush is a guy without a sense of humor"

Julio Blanck, political columnist of leading "Clarin," writes (08/13) "... It is true that since Kirchner took power, the White House has supported his efforts to restructure the defaulted debt and pay the IMF..., and he also took care of 500 US corporations

that had invested in the country. However, those were the interests of the country, the personal relationship is something else.

"Those who are said to understand geopolitics maintain that Kirchner's affinity with Chavez irritates Bush, who already suffers from the minuet the Venezuelan leader is dancing with Cuba and Iran. And he is also bothered by Argentina and Mercosur's support for Chavez's aspirations to obtain a seat on the UN Security Council.

"... Bush has now nominated a new Ambassador to Argentina - it is Earl Anthony Wayne and his nomination was delayed because he was charged with not sufficiently supporting anti-Castro Cubans..."

13. EDITORIALS

- "Peace, an imperative of current times"

Daily-of-record "La Nacion" editorializes (08/12) "Violence has again taken hold of Lebanon, Gaza and, to a lesser extent, the West

Bank with unprecedented intensity.

"Bogged down in an increasing chaos of an Iraq that seems to be heading for its own implosion, the US does not convey a sense of leadership typical of a nation that is the first world power. Its image has deteriorated so much that the country does not seem to be in a position to single-handedly lead the Middle East peace process. On the contrary, its prestige has been damaged by lamentable episodes such as those of Guantanamo and Abu Ghraib...

"It is imperative that the international community join the search for peace with determination, within the UN framework and outside of it. Argentina should play an active role so that peace can prevail...

- "... Hezbollah should be disarmed and the Lebanese government should be allowed to effectively exercise its sovereignty in its entire territory. Hezbollah is not only the outcome of resentment and hatred but also of the long failure of peace negotiations to solve a conflict that started in 1949."
- "Colombia in the regional interest"

Leading "Clarin" editorializes (08/14) "The beginning of Colombian President Alvaro Uribe's second term in office has marked the opening of a government whose continuity or change will have regional influence.

"First and foremost, the threat posed by narco-trafficking and guerrillas continues to be a major challenge for the Colombian government and a source of violence with foreign extensions and consequences.

"... Another important concern is inequality, which has grown to unprecedented levels.

"In order to solve these issues, Uribe has an election and congressional majority that will allow him to implement his policies. We hope he manages to strengthen democracy and security in Colombia for the good of Colombians and also because Colombia's progress will greatly influence the region's politics and strategic balance."

- "The need for increasing foreign investment"

Leading "Clarin" editorializes (08/14) "The Argentine Government's call for foreign investment is a particularly important sign of realism vis-`-vis the prospects of key sectors of the economy.

"... Foreign investors' reticence is due to the fact that Argentina still has a negative image that engenders mistrust, and this is important when it comes to investment decisions.

"For its part, the government usually has a tough attitude towards corporations and sustains interventionist policies of the private sector that generate uncertainty about the degree of corporate freedom, thereby discouraging investment.

"This is why the Government should bear in mind the economic, political and institutional factors discouraging foreign investment in order to contribute to economic sustainability. And it should also be aware that foreign investment must be used to increase capital stock and not to denationalize local corporations, particularly in crucial sectors such as national security or culture."

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